



LENA C. TAYLOR

Wisconsin State Senator • 4th District

HERE TO SERVE YOU!

SENATOR LENA C. TAYLOR

Testimony In Support of SB 259 – The Milwaukee County Comptroller Act
Committee on Transportation and Elections
Monday, October 31, 2011

Thank you, Madam Chair and committee members for holding this hearing today on SB 259 – the Milwaukee County Comptroller Act. I have been pleased to work with Senator Darling and Representatives Kooyenga and Zamarrippa to address the issues that we and others identified as concerns in the original comptroller bill, Assembly Bill 329. This new bill is a bipartisan effort to establish an independently elected, non-partisan, comptroller in Milwaukee County and one for which I ask your support, both Republicans and Democrats on this committee.

Let me begin by stating my conviction; that an elected non-partisan fiscal watchdog in Milwaukee County to advise and provide recommendations to the County Board and Executive will only help to improve the financial situation in the County. There are key words in that statement that I must point out: non-partisan and elected. In the original bill draft this was one of the concerns, along with concerns about the countersign authority of this new position, which I addressed to Senator Darling and Representative Kooyenga. Eagerly, all four offices – Senator Darling, myself, and Representatives Kooyenga and Zamarrippa set about our work, along with others, including Representatives Zepnick, Fields, Stone, and Honadel to address these and other concerns and create a better bill for the Legislature's consideration and for the future of Milwaukee County.

SB 259 is that product. In this bill, a non-partisan office of the County Comptroller is created, which is independent of the County Board and the County Executive. This independence is key. No longer will fiscal estimates be subject to the political pressures of the board, nor will the controller's function be governed by the Executive. This bill places the controller functions, the audit functions, and other duties as prescribed by the county in this new office, subject to the will of the people in the non-partisan spring elections. While the comptroller is independent of the board and Executive, the office is elected in the same election cycle as those offices, which provides for an electoral accountability that was not present in the original bill. Originally the comptroller election occurred in November, separate from the board and executive and was a partisan position.

Partisanship does not belong with the Chief Financial Officer of Milwaukee County, as we are creating. In fact, I raised serious concern about the partisan election being used for this office. One of my major objections was the renaming of the Office of the County Treasurer and using that position for the Comptroller. This constitutional entanglement was not in the best interests of the legislation, the county, nor the will of the people. This entanglement was removed in this bill. Let me state, that I do support and will introduce a constitutional amendment that, if passed by the people, will allow Milwaukee County to abolish the treasurer and register of deeds and assign those functions within county government.

-over-

Another concern I raised was regarding the timing and nature of a partisan election. A serious consideration that had to be taken into account was the fact that the November election cycle and campaign would be concurrent to the county budget process. This process is under way right now. In fact, tonight is a public budget hearing. During this time of budget deliberations, there would be inevitable political pressures on the comptroller, who would be running for election at that time, to not be an objective fiscal agent, but rather a political operator. We have taken deliberate steps in state government to keep our state budget creation and deliberations away from elections. I wanted to ensure that the same protection was maintained for Milwaukee County. My fellow co-authors agreed and hence, SB 259 uses the non-partisan spring election for this office for this reason.

After the original bill was introduced, I heard of concerns from labor and others about the countersign authority of the new comptroller over contracts. We looked over statute and found very similar countersign authority in use for cities other than Milwaukee. In analyzing that language, we settled on the language you find in the bill on page 4, lines 18-21, which calls for the countersignature of the comptroller on contracts where the funds have been appropriated or will be. This important consideration was done to address multi-year contracts where the county may not have yet appropriated funds. I want to stress for this committee and for the record, this language is proscriptive and this countersign function is an administrative task; this is not a place for a comptroller to express a political difference or opinion with a properly approved and funded contract.

As we have gone forward on our work on this bill, there have been additional concerns raised about audit functions. I take these concerns seriously. To begin with, I used our own highly regarded Legislative Audit Bureau as a reference. The auditor, Joe Chrisman, pointed me to the Government Auditing Standards issued by the Comptroller General of the United States as their baseline standard for audits. It is important to note that because audits at times require different standards than the Government Auditing Standards, Wisconsin does not mandate a certain standard for our own audit bureau in statute. Given the nature of audits and the level of complexity in them it would be foolish for the state to codify or mandate any one standard for Milwaukee County. Rather, we as authors are working on amendment language to set the Government Auditing Standards as a baseline and put the onus on the new Comptroller and the County to provide for compliance with standards as required by each audit.

SB 259 is a much better bill today, because of the bipartisan work and effort that has been put into it. The overall goal of providing for restoration of fiscal solvency in Milwaukee County and implementing a new fiscal agent for the county is advanced by this bill. We have seen the tug of politics at our fiscal truth in the county in so many ways. It is time to bring an independent voice to the table to provide accurate data and appropriate estimates to the County Board and County Executive. It is still the board and executive who create the policy of the county. This new fiscal watchdog keeps a watchful eye on the county finances and advises our legislative and executive bodies in the county. April 2012 will see the election of Milwaukee County's first independent, non-partisan Comptroller. That is, only if this committee and the Legislature acts swiftly to adopt this bill. I encourage you to do so and to report this bill to the floor as soon as possible.

Thank you.



DALE KOOYENGA

STATE REPRESENTATIVE • 14th ASSEMBLY DISTRICT

(608) 266-9180
FAX: (608) 282-3614
Toll-Free: (888) 534-0014
Rep.Kooyenga@legis.wi.gov

P.O. Box 8952
Madison, WI 53708-8952

Thank you Chairman Lazich, members of the committee.

Thank you for the opportunity to discuss SB 259 a bill that creates a Comptroller for the city of Milwaukee.

This bill only pertains to Milwaukee County and is necessary because of the enormous structural deficits facing the County and the long-term debt crunch that resulted from the backdrop pension scandal. The result of those poor decisions in the past is that today's County leadership is faced with enormous challenges to balance budgets and move the County forward. I repeat this bill only applies to Milwaukee County because of the unique financial difficulties that have plagued the County.

Fortunately, we can look at the City of Milwaukee as a role model for the County to emulate. The City of Milwaukee relies on the same economy and the voters are generally similar, but despite having the same base of support the City of Milwaukee has been financially responsible as evidenced by an overfunded pension plan and Milwaukee County has been largely plagued by excessive debt and unfunded obligations.

Milwaukee County is one bad contract away from a financial disaster.

This bill is modeled after the legislation used to create an elected Comptroller for the City of Milwaukee – a model that has proven very successful at creating financial strength and stability in the City. We believe that Milwaukee County should learn from this success and institute an elected Comptroller for the County.

An elected Comptroller would serve as the "chief financial officer" for the County and administer its financial affairs. As in the City of Milwaukee, the Comptroller would provide independent fiscal analysis to the County Board and County Executive on any matter affecting the County. Both the executive and legislative branches can make decisions based on a financial assessment conducted by a non-partisan, independent office. And the position can serve as an important watchdog for taxpayers, ensuring honest budgeting.

In addition, the Comptroller would provide an important 'check' on spending, ensuring that the County has sufficient resources before countersigning agreements that incur additional liability for County taxpayers.

This position will create a level of fiscal accountability that the County has too often lacked. Had a common-sense system like this been in place previously, it is likely Milwaukee County would not have faced the enormous fiscal burden from infamous pension scandal.



OFFICE OF THE COUNTY EXECUTIVE

Milwaukee County

CHRIS ABELE • COUNTY EXECUTIVE

October 26, 2011

The Senate Committee on Transportation and Elections
Attention: Committee Chairperson Senator Lazich
Room 109 South
State Capitol
P.O. Box 7882
Madison, WI 53707

Dear Senator Lazich:

I am writing to call for the passage of SB259, which would create an elected Comptroller in Milwaukee County. As you and your fellow Judiciary, Utilities, Commerce and Government Operations Committee members discuss this bill, I ask that you please consider the needs of Milwaukee County that would be met by passing this legislation. Namely, *the bill would provide the fiscal accountability that has been missing from Milwaukee County, yet is critical to its future.*

It is of the utmost importance that the Comptroller be a wholly independent position. The best way to accomplish this is through an election. This will provide a much-needed impartial and unbiased 'watchdog' that doesn't report to me and doesn't report to the County Board. We need an elected Comptroller that reports directly to Milwaukee County taxpayers and the constituents that put him or her in office.

In particular I'd like to highlight the importance of having the County's audit function operate within the Comptroller's office. This would ensure objective analysis, advice and counsel for both the County Board and County Executive, each of whom may request such information at any time. As modeled after the City of Milwaukee (and many other public entities of similar size and nature), proper internal controls will be in place to ensure appropriate segregation of duties so that no one person is responsible for all phases of the accounting process. Furthermore, the County would retain its external audit, which will also be responsible for reviewing the internal controls.

I can tell you first hand that in Milwaukee County, too much of the budget debate is centered around disagreements about the numbers. With an elected comptroller, we can agree on the numbers and focus on policy – which is ultimately what we have been elected to do. Currently, much of the budget goes to paying the County's debt service. We have to look to our future. We need an elected Comptroller to manage the debt and certify that moving forward we have revenues in place before we take on any new expenditures.

It is, of course, of the utmost importance that a role like an elected Comptroller is filled by only the highest-quality candidates. The legislation we are sponsoring requires that a Comptroller candidate must be a Certified Public Accountant (CPA). This qualification is absolutely necessary, in that the Comptroller would have the authority to oversee and certify revenues and expenditures for the County and would countersign all contracts with the County to verify necessary funds are available to pay the liability.

This legislation is all about accountability. An independent, nonpartisan Comptroller will not only provide fiscal analysis, but will oversee and manage the County's debt. Additionally, a Comptroller will verify all contracts, confirming that the necessary funds are available to pay the liability that will be incurred under the contract. Again, while this may seem like simple common sense, the County has not always operated with the approach that if you don't have enough to buy it, you can't get it. A Comptroller would drastically change that way of operating, leading to increased responsibility, efficiency and financial wellness.

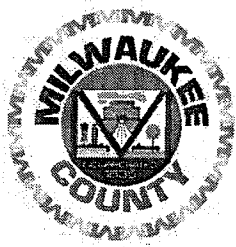
The challenges facing Milwaukee County government are so great, that it's easy to throw your hands up in frustration. But now is the time for all of us to roll-up our sleeves and work together to find solutions that work. Cutting spending alone will not lead to long term solvency, we also need to enact necessary structural reforms. This isn't about ideology, a specific party or politics, this is about learning from our neighbors and improving the way our government operates. Based on the City of Milwaukee's example, we firmly believe that the best way to bring fiscal responsibility to Milwaukee County is to create an elected Comptroller position. Through this effort, taxpayers will get the type of responsible budgeting and sensible fiscal oversight that they expect and deserve.

Last week we had a hearing in the Assembly on a similar idea. We let it be known at the hearing that we were there to listen to the ideas and suggestions of other stakeholders. As a direct result, we are now putting together a bill that has bipartisan support and tremendous support from the community. Thank you for your time and consideration of this important reform.

Respectfully,

A handwritten signature in black ink, appearing to read "Dale Kooyenga", written in a cursive style.

State Rep. Dale Kooyenga.



INTERGOVERNMENTAL RELATIONS
Milwaukee County

Date: October 27, 2011
To: Senator Mary Lazich, Chair
Senate Committee on Transportation and Elections
From: Milwaukee County Intergovernmental Relations
Re: **Senate Bill 259, creating the office of county comptroller for Milwaukee County**

Senate Bill 259 Creates a New Political Office in Milwaukee County

This bill does not streamline administrative services in Milwaukee County. In fact, it actually proposes the creation of a new political office in Milwaukee County. It is questionable whether creating a new office for a Milwaukee County politician in today's economic climate is a good idea.

In fact, the Greater Milwaukee Committee specifically recommended in 2003 that the Board of Supervisors reduce the number of independent, non-policy oriented, elected officials and work with State lawmakers to bring about this reform. Their effort to push a bill through the Legislature to create a new political position in Milwaukee County runs contrary to this goal.

Reportedly, a separate, complementary bill to this legislation will be introduced to initiate a constitutional amendment process to eliminate the elected Milwaukee County Treasurer's Office. This process could take years, and, in the interim, Milwaukee County property taxpayers would be stuck paying for an additional political position in Milwaukee County.

Further, the constitutional amendment may never pass, as it depends on the support of this Legislature, the next Legislature and the electorate. Under this scenario, Milwaukee County would have an elected Treasurer in addition to this newly created elected Comptroller office. It is worth noting that the City of Milwaukee is studying whether to consolidate their Treasurer and Comptroller offices.

Senate Bill 259 will increase costs to Milwaukee County

The Milwaukee County Board currently is reviewing the 2012 Budget recommended by the County Executive, a budget that has to address a \$55 million shortfall next year, nearly \$30 million of which is attributable to a reduction in state aid. This bill will do nothing to address this shortfall or help the Board restore cuts to the Office of the Sheriff or countywide Emergency Medical Services.

Instead, the bill will increase costs by mandating new unfunded positions, including the Comptroller and deputy position. The County Board has reviewed the proposed revisions to Senate Bill 259 for a preliminary fiscal impact. At a bare minimum, the personnel and office support costs incurred from the bill would be close to \$400,000. These costs

could be higher if the salaries of the Milwaukee County Comptroller and deputy were to match the salaries of the City of Milwaukee Comptroller and Deputy of \$141,000 and \$124,000 a year respectively.

Fully staffing this new office to assure completion of all duties described in the bill actually could require significantly more, and Senate Bill 259 does not provide additional resources for this mandate. Absorbing these costs without additional resources, either from the State or the property tax, would result in a reduction of service.

Senate Bill 259 places audit functions within the Office of the Comptroller

Milwaukee County has a legislative auditor with civil service protections who is external to management. The Director of Audits reports to the legislative branch in Milwaukee County in the same way that the non-partisan Legislative Audit Bureau reports to the State Legislature. Waukesha County and the federal government use this same model, and it should be retained in Milwaukee County given the significant level of federal and state resources that it administers.

In contrast to the City of Milwaukee, Milwaukee County follows U.S. Government Accountability Office standards. If the audit function were within the Office of the Milwaukee County Comptroller, he or she essentially would be placed in a position of auditing the boss, the Chief Financial Officer. Clearly, this arrangement poses a conflict of interest.

For example, an elected Comptroller could prioritize audits to his or her political advantage. Audits that would reflect badly on this elected position may never be completed. Transparency is important to ensure all audit reports become public in a timely manner.

- Would this internal auditor in the Office of the Comptroller be given full access to records of all managers, including the Comptroller and Treasurer?
- Would this internal auditor in the Office of the Comptroller be protected from undue influence on the audit scope by those he or she is auditing, including the Comptroller and Treasurer?
- Would this internal auditor in the Office of the Comptroller be protected from removal of the auditor or audit staff for matters unrelated to job performance?

This is not partisan legislation. The fact that I am supporting it should make that clear. It is not about the party affiliation of the sponsors or supporters. When good, levelheaded, common-sense legislation is on the table, it is our job as elected officials to recognize it and support it, for the betterment of the communities we serve.

I ask that you and your colleagues pass this legislation and join me in supporting this much needed common-sense solution for Milwaukee County and its taxpayers.

Sincerely,



Chris Abele
Milwaukee County Executive

CC: Senator Leibham
Senator Lasee
Senator Coggs
Senator Erpenbach
Senator Larson
Senator Darling
Representative Kooyenga



Office of the Comptroller

October 27, 2011

W. Martin Morics, C.P.A.
Comptroller

Michael J. Daun
Deputy Comptroller

John M. Egan, C.P.A.
Special Deputy Comptroller

Craig D. Kammholz
Special Deputy Comptroller

Committee on Transportation and Elections
Attention: Committee Chairperson Senator Mary Lazich
Room 8 South
State Capitol
P.O. Box 7882
Madison, WI 53707

Dear Senator Lazich:

I am encouraged by the initiative to create an independent elected Comptroller's Office for Milwaukee County. While not a legislative policy making position, such an office would provide critical value added to the County through ongoing independent review and analysis of major fiscal issues which the County faces. Independent of the Executive and Legislative functions, the Office would provide a source of objective financial advice and counsel. The analysis and disclosure functions are key responsibilities. It is a model which has served the City well, attested to in part, by the City's strong credit ratings, sound financial reserves, and well-funded pension plan. I feel that the creation of a similar position at the Count merits support.

I am pleased to provide you with some reactions I have to certain issues raised surrounding the subject of internal controls, auditing and the proposal to create a County Comptroller position.

Proper internal controls are achieved through the appropriate segregation of duties so that no one person is responsible for all phases of a financial accounting process. An easy example would be that if one party is authorized to print checks to vendors, then only a different party is allowed to add or delete names from the vendor files. In organizations the size of the City or County, these systems are long established, and reviewed periodically by internal audit staff (in the City's case), and reviewed annually by the external auditor, in both cases. It must be remembered that the external auditors are required to review the internal controls, and evaluate them to form a basis for subsequent audit testing, and report any material or significant weaknesses to management. In short, major control systems are thoroughly reviewed annually by the independent external auditors.

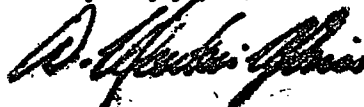
Respecting the investment function, you should be aware that Mayor Barrett's 2012 budget recommends transferring that function to the City Comptroller's office. Organizationally, I do not have an issue with this transfer, assuming that adequate resources are provided. Likewise, I do not foresee problems with this in the County model.

If the entire treasury function is subsumed into the County Comptroller's Office, I presume it will be a separate division of the office, just as the audit function will be. Nothing precludes the Comptroller from having the internal audit function review and test critical or key internal control systems. In fact this should be done. My internal audit staff regularly reviews certain systems which are under my auspices. Written reports are prepared. And as noted before, these systems are also reviewed annually by the external auditors.

The issue of the investment or cashiering function reporting to the same individual as the audit function is therefore not necessarily flawed. In fact, in governmental units where the comptroller and treasurer positions are appointed, both they and the audit function report to the same individual, the chief executive. This business model is utilized by many governmental units, and does not seem to suffer from inherent control weaknesses.

In summary, I do not see any significant control issues in the County Comptroller position, as outlined, and feel that it represents a sound and viable business model. I am pleased to share these observations with you, and you may feel free to share my observations as you deem fit.

Very truly yours,



W. MARTIN MORICS
Comptroller

Cc: Senator Leibham
Senator Lasee
Senator Erpenbach
Senator Coggs
Senator Darling
Representative Kooyenga

EDWARD J. ZORE

777 East Wisconsin Avenue, Suite 3005
Milwaukee, WI 53202
414 665-7339
edzore@wiexecs.com

October 31, 2011

Committee on Transportation and Elections
Attention: Committee Chairperson Senator Mary Lazich
Room 8 South
State Capitol
P.O. Box 7882
Madison, WI 53707

Dear Senator Lazich:

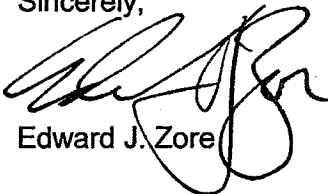
During the week of Oct 31, you and your fellow Transportation and Elections Committee members will have the opportunity to discuss a bill that is of utmost importance to Milwaukee County. SB259 would create an elected comptroller for Milwaukee County and help provide the fiscal accountability that is critical to the county's future.

This bill is not about partisan politics. Rather, it is a common-sense solution to the financial challenges facing Milwaukee County. It will provide a much needed 'check' on Milwaukee County's finances, as well as independent analysis to both the County Board and the County Executive.

The concept of an elected comptroller is not new. It's a model that has been proven successful in many places, including the City of Milwaukee, at helping to maintain fiscal stability and accountability. The bill already has support throughout the Milwaukee community, including from Milwaukee County Executive Chris Abele.

I am greatly encouraged by the leadership we have seen locally and in the State Legislature regarding the creation of this important position. We ask that you join these leaders in supporting this much needed common-sense solution for Milwaukee County and its taxpayers.

Sincerely,



Edward J. Zore

cc: Senator Leibham
Senator Lasee
Senator Erpenbach
Senator Coggs
Senator Darling
Representative Kooyenga

October 31, 2011

Committee on Transportation and Elections
Attention: Committee Chairperson Senator Mary Lazich
Room 8 South
State Capitol
P.O. Box 7882
Madison, WI 53707

Dear Senator Lazich:

During the week of October 31, you and your fellow Transportation and Elections Committee members will have the opportunity to discuss a bill that is of utmost importance to Milwaukee County. SB259 would create an elected comptroller for Milwaukee County and help provide the fiscal accountability that is critical to the county's future.

This bill is not about partisan politics. Rather, it is a common-sense solution to the financial challenges facing Milwaukee County. It will provide a much needed 'check' on Milwaukee County's finances, as well as independent analysis to both the County Board and the County Executive.

The concept of an elected comptroller is not new. It's a model that has been proven successful in many places, including the City of Milwaukee, at helping to maintain fiscal stability and accountability. The bill already has support throughout the Milwaukee community, including from Milwaukee County Executive Chris Abele.

I am greatly encouraged by the leadership we have seen locally and in the State Legislature regarding the creation of this important position. We ask that you join these leaders in supporting this much needed common-sense solution for Milwaukee County and its taxpayers.

Sincerely,



Daniel Steininger

CC: Senator Leibham
Senator Lasee
Senator Erpenbach
Senator Coggs
Senator Darling
Representative Kooyenga



250 S. Wacker, Suite 800
Chicago, IL 60606

311 10th St.
Golden, CO 80401

3939 W. Highland Blvd
Milwaukee, WI 53208

October 28, 2011

Committee on Transportation and Elections
Attention: Committee Chairperson Senator Mary Lazich
Room 8 South, State Capitol
P. O. Box 7882
Madison, WI 53707

Dear Senator Lazich:

As both a business leader and a concerned citizen of Milwaukee County, I am writing to express my strong support of Assembly Bill 329.

This legislation will allow Milwaukee County to retain an independent fiscal voice, an important move that will allow the county to focus its' resources on delivering core services.

This bill is not about partisan politics. Rather, it is a common-sense solution to the financial challenges facing Milwaukee County. It will provide a much needed 'check' on Milwaukee County's finances, as well as independent analysis to both the County Board and the County Executive.

The concept of an elected comptroller is not new. It is a model that has been proven successful in many places, including the City of Milwaukee, at helping to maintain fiscal stability and accountability. The bill already has support throughout the Milwaukee community, including from Milwaukee County Executive Chris Abele.

I am greatly encouraged by the leadership we have seen locally and in the State Legislature regarding the creation of this important position. We ask that you join these leaders in supporting this much needed common-sense solution for Milwaukee County and its' taxpayers.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Long", written over a large, loopy circular flourish.

Tom Long
Chief Executive Officer

cc: Senator Leibham
Senator Lasee
Senator Erpenbach
Senator Coggs
Senator Darling
Representative Kooyenga

MAHLER ENTERPRISES, INC.

October 27, 2011

Committee on Transportation and Elections
Attention: Committee Chairperson Senator Mary Lazich
Room 8 South
State Capitol
P.O. Box 7882
Madison, WI 53707

Dear Senator Lazich:

On Oct 31, you and your fellow Transportation and Elections Committee will have the opportunity to discuss a bill that is of utmost importance to Milwaukee County. SB259 would create an elected comptroller for Milwaukee County and help provide the fiscal accountability that is critical to the county's future.

This bill is not about partisan politics. Rather, it is a common-sense solution to the financial challenges facing Milwaukee County. It will provide a much needed 'check' on Milwaukee County's finances, as well as independent analysis to both the County Board and the County Executive.

The concept of an elected comptroller is not new. It's a model that has been proven successful in many places, including the City of Milwaukee, at helping to maintain fiscal stability and accountability. The bill already has support throughout the Milwaukee community, including from Milwaukee County Executive Chris Abele.

I am greatly encouraged by the leadership we have seen locally and in the State Legislature regarding the creation of this important position. We ask that you join these leaders in supporting this much needed common-sense solution for Milwaukee County and its taxpayers.

Sincerely,



Laura Pappas, CPA
Controller
Mahler Enterprises, Inc.

CC: Senator Leibham
Senator Lasee
Senator Erpenbach
Senator Coggs
Senator Darling
Representative Kooyenga

600 N. Broadway Ave., Suite 200 • Milwaukee, WI 53202
Phone: (414) 347-1350 or (800) 943-7373 • Fax: (414) 347-1825 • www.mahlerent.com

MILWAUKEE | CHICAGO | NEW YORK | SAN FRANCISCO



October 31, 2011

Committee on Transportation / Elections
Attention: Committee Chairperson Senator Mary Lazich
State Capitol - Room 8 South
P.O. Box 7882
Madison, WI 53707

Dear Senator Lazich:

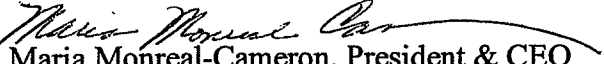
During the week of Oct 31st, you and your fellow Transportation and Elections Committee members will have the opportunity to discuss a bill that is of utmost importance to Milwaukee County. SB259 would create an elected comptroller for Milwaukee County and help provide the fiscal accountability that is critical to the county's future.

This bill is not about partisan politics. Rather, it is a common-sense solution to the financial challenges facing Milwaukee County. It will provide a much needed 'check' on Milwaukee County's finances, as well as independent analysis to both the County Board and the County Executive.

The concept of an elected comptroller is not new. It's a model that has been proven successful in many places, including the City of Milwaukee, at helping to maintain fiscal stability and accountability. The bill already has support throughout the Milwaukee community, including from Milwaukee County Executive Chris Abele.

I am greatly encouraged by the leadership we have seen locally and in the State Legislature regarding the creation of this important position. We ask that you join these leaders in supporting this much needed common-sense solution for Milwaukee County and its taxpayers.

Adelante Juntos / Forward Together


Maria Monreal-Cameron, President & CEO
Hispanic Chamber of Commerce of Wisconsin

CC: Senator Leibham
Senator Lasee
Senator Erpenbach
Senator Coggs
Senator Darling
Representative Kooyenga

Funded in part by
Community Development Block Grant

CDBG

Recipients: Hispanic Chamber of The Year 1988
Hispanic Chamber of the Year ~ Region IV 1994, 1996 thru 2008
~ National 2005/2006

Member United States Hispanic
Chamber of Commerce

1021 W. National Avenue ☎ Milwaukee, WI 53204 ☎ Tel (414)643-6963 ☎ Fax (414)643-6994 ☎ www.hccw.org

October 31, 2011

Committee on Transportation and Elections
Attention: Committee Chairperson Senator Mary Lazich
Room 8 South
State Capitol
P.O. Box 7882
Madison, WI 53707

Dear Senator Lazich:

On Monday, October 31, you and your fellow Transportation and Elections Committee will have the opportunity to discuss a bill that is of utmost importance to Milwaukee County. SB259 would create an elected comptroller for Milwaukee County and help provide the fiscal accountability that is critical to the county's future.

This bill is not about partisan politics. Rather, it is a common-sense solution to the financial challenges facing Milwaukee County. It will provide a much needed 'check' on Milwaukee County's finances, as well as independent analysis to both the County Board and the County Executive.

The concept of an elected comptroller is not new. It's a model that has been proven successful in many places, including the City of Milwaukee, at helping to maintain fiscal stability and accountability. The bill already has support throughout the Milwaukee community, including from Milwaukee County Executive Chris Abele.

I am greatly encouraged by the leadership we have seen locally and in the State Legislature regarding the creation of this important position. We ask that you join these leaders in supporting this much needed common-sense solution for Milwaukee County and its taxpayers.

Sincerely,



Thomas L. Spero
Retired Milwaukee Office Managing Partner, Deloitte LLP

CC: Senator Leibham
Senator Lasee
Senator Erpenbach
Senator Coggs
Senator Darling
Representative Kooyenga

Milwaukee County Department of Audit

- National Association of Counties award for Fraud Hotline: Established a decade before any other government fraud hotline in Wisconsin, the Hotline has generated a total of 1,297 tips, of which 328 were substantiated. The Hotline has resulted in \$9.1 million in savings as well as numerous prosecutions and employee disciplinary actions.
- Internationally represented Association of Local Government Auditors awards for the following audit reports:
 - 2009 A Tale of Two Systems: Three Decades of Declining Resources leave Milwaukee County Parks Reflecting on Best and Worst of Times;
 - 2005 Audit of Milwaukee County Health Care Benefits;
 - 2004 Audit Hotline and Audit Activity Addressing Potential Fraud, Waste, and Abuse; and
 - 2002 Department of Administrative Services and Management Structure Review of Human Services.
- Millions of dollars in savings have been identified for Milwaukee County citizens through audits. All reports since 2002 are published on the Department's website, <http://county.milwaukee.gov/Audit>.
- David M. Walker Award for Excellence in Government Performance and Accountability (2009).
- "Clean Opinions" received on compliance with Government Auditing Standards for all five peer reviews conducted since 1991 (first office to undergo a peer review by the national local government auditors group). Department of Audit staff members have participated in peer reviews of other governmental audit functions a total of 16 times, serving as peer review team leaders on ten of the engagements.
- Director was chosen to testify at a Congressional hearing on behalf of all local government auditors in the Nation regarding the American Reinvestment and Recovery Act. The Director has also twice been honored to serve as a President of the Association of Local Government Auditors. He currently serves on the National Audit Forum Executive Committee, the Advisory Council on Government Auditing Standards and the US Comptroller General's Domestic Working Group.
- Other agencies, including the prestigious Wisconsin Legislative Audit Bureau, the Milwaukee County District Attorney's Office, the United States Attorney's Office, the Federal Bureau of Investigation, the Secret Service, the Internal Revenue Service and several Federal Inspectors General have acknowledged the value of the Milwaukee County Department of Audit by seeking out the cooperation of the Department in conducting joint and coordinated audits and investigations.

Milwaukee County needs comptroller

Premium content from The Business Journal

Date: Friday, October 28, 2011, 5:00am CDT

The issue: Proposed legislation that would create an independently elected comptroller's position for Milwaukee County

Our stance: Given the county's well-documented financial problems, a comptroller would be an independent, professional financial voice the county needs.

Given Milwaukee County's well-documented financial problems in recent years, a legislative proposal to create an independently elected comptroller's position would be in the best interest of county taxpayers.

The proposal, introduced by state Rep. Dale Kooyenga (R-Brookfield) and state Sen. Alberta Darling (R-River Hills), would combine the county's treasurer position with auditing and other functions that are part of the county executive's administration. The comptroller would oversee county debt, prepare fiscal notes for proposed legislation, audit county government and issue regular reports on the county's financial condition.

The comptroller would be elected and be accountable to all Milwaukee County taxpayers.

Creating the position would improve the oversight of the county's financial operations and also provide efficiency so desperately needed. The proposal is backed by County Executive Chris Abele and the Greater Milwaukee Committee as part of the push to overhaul county operations and improve Milwaukee County's financial structure.

Look to the city of Milwaukee for an example, where comptroller Wally Morics has, for decades, been an independent financial voice who has stood up against other elected officials when he believed projects or proposals did not make financial sense.

As expected, Milwaukee County Board chairman Lee Holloway and several other board members are opposed to the bill, claiming the position is not needed because of the cost of the new job and the fact that it would add bureaucracy to Milwaukee County.

The opposition is hypocritical given that Holloway and a majority of County Board members recently refused to reduce the number of board members, which would have produced much-needed savings and lessened the county board's micro-management process.

State legislators and Gov. Scott Walker should approve the bill.



EDITORIAL

Bill would improve fiscal management

A measure to create an elected comptroller position in Milwaukee County deserves passage by the state Legislature.

Oct. 20, 2011 | (5) COMMENTS

Under legislation moving forward in Madison, Milwaukee County taxpayers would be given something they've needed but have never had: an independently elected chief financial officer who would administer the county's financial affairs. The measure, which would create an elected comptroller position, should become law.

Creation of an elected comptroller position would provide improved efficiency, oversight and accountability by combining the current county treasurer's position - an elected office but with limited functions - with auditing and other functions that are nonelected slots in one office. Just as important, by making the comptroller a nonpartisan elected official who reports directly to the taxpayers, the legislation ensures greater independence.

Done right, it might help prevent future instances of the kind that rocked Milwaukee County nearly a decade ago - the pension scandal that led to the resignation of then-County Executive F. Thomas Ament and left the county in a fiscal mess from which it has not recovered.

Supporters of the measure say they're modeling it on the City of Milwaukee's comptroller office. That elected position is held now by W. Martin "Wally" Morics, who has done a terrific job for city taxpayers over the years and who has had the independence to butt heads with both past mayors and aldermen. He supports the bill.

Milwaukee County Executive Chris Abele is another supporter of Assembly Bill 329, which is sponsored by state Rep. Dale Kooyenga (R-Brookfield) and state Sen. Alberta Darling (R-River

Hills). Abele said the measure would ensure proper management of the county's debt and fiscal problems.

To be eligible for the office, a candidate would have to be a certified public accountant or have an advanced degree in accounting or finance - an essential requirement. Sponsors are also looking to make it a nonpartisan elected position voted on in fall elections.

Critics such as County Board Chairman Lee Holloway say the legislation isn't necessary and that placing the audit function - which now reports to the board - into the same office with some of the other functions "is tantamount to asking the fox to watch the hen house."

But as Morics points out, appropriate separation could be maintained within the office between the various departments, strict accounting standards would still be met and annual external audits would still occur. Abele said he thought the new system is better likened to "taking the fox out of the hen house."

Other critics say the treasurer's position should be made appointive and placed in the county clerk's office. But that would hardly create the independence that's needed, and it would further diffuse the fiscal functions.

The better way is an independent elected comptroller who oversees all the functions and would perform the watchdog role necessary at the county. That's what this bill would do. Pass it.

Should the Milwaukee County controller and treasurer offices be combined into an elected comptroller position? To be considered for publication as a letter to the editor, e-mail your opinion to the Journal Sentinel editorial department.

Find this article at:

<http://www.jsonline.com/news/opinion/bill-would-improve-fiscal-management-132280793.html>

☐ Check the box to include the list of links referenced in the article.

A better check on county finances

By Alberta Darling and Dale Kooyenga
Oct. 29, 2011 | (10) Comments

Sometimes we get so used to the way things are that we almost forget that other ways of doing things exist. In Milwaukee County, we hear again and again about the enormous debt, the consequences of the backdrop pension plan and the tough choices county leadership has to face when delivering their budgets.

It's easy to throw your hands up and accept that that's just how the county operates. We, on the other hand, have had enough of the talk; there's no way we are going to talk our way to a financially healthy standing.

Instead, we need actions, solutions and your support. We need to take steps to ensure responsible budgeting and sensible oversight.

And we believe now, more than ever, that there is a great need for an elected comptroller position for Milwaukee County. This effort has achieved bipartisan support, including from Milwaukee-area Democratic legislators State Sen. Lena Taylor and State Reps. Josh Zepnick and JoCasta Zamarripa.

We recently introduced legislation modeled after the legislation used to create an elected comptroller for the city of Milwaukee - a model that has been very successful at creating financial strength and stability in the city. We believe instituting an elected comptroller at the county level will yield the same results.

An elected comptroller would serve as the chief financial officer for the county. The comptroller would provide independent fiscal analysis to both the county executive and the County Board, and serve as an important 'check' on spending by certifying that the necessary funds are available before contracts are signed.

Had a common-sense system such as this been in place previously, it is likely Milwaukee County would not have faced the enormous fiscal burden from its infamous pension scandal.

It is, of course, important that a role such as an elected comptroller is filled by a highly qualified candidate. The legislation we are sponsoring requires that a comptroller candidate must be a certified public accountant or have an advanced degree in accounting or finance. This qualification is necessary because the comptroller would have the authority to oversee and certify revenues and expenditures for the county and verify necessary funds are available to pay the liability by countersigning all contracts.

This legislation is about accountability. An unbiased, nonpartisan comptroller will not only provide fiscal analysis, but will oversee and manage the county's debt.

Additionally, a comptroller will verify all contracts, confirming that the necessary funds are available to pay the liability that will be incurred under the contract. Again, while this seems common sense to us, the county has not always operated with the principle that if you don't have enough to buy it, you can't get it. A comptroller would drastically change that way of operating, leading to responsibility, efficiency and financial wellness.

If the Senate version of this legislation is passed, the comptroller would be elected to this nonpartisan office for a four-year term beginning in April 2012 and replace the appointed county controller. A companion bill would also permit the county to eliminate the outmoded position of an elected county treasurer. The legislation also requires that the new position be cost neutral in the first year, which is possible through a reallocation of existing resources. In addition, we are confident that the position itself will lead to long-term saving for the county as it increases fiscal oversight and accountability.


The idea of an elected comptroller is not new, but it will bring a higher standard to county finance. As an elected official, the comptroller will be accountable to county taxpayers and independent from the County Board and county executive.

We need to stop the debt snowball, and begin to reverse the financial hardships of the county. It's time to be accountable to county taxpayers. And the best way to bring fiscal responsibility to Milwaukee County is by passing legislation to create an elected comptroller.

Alberta Darling, a Republican, is a state senator representing the 8th District; Dale Kooyenga is a state representative who represents the 14th District. They are lead sponsors of the Elected Comptroller Bill (AB-329/SB-259).

Find this article at:

<http://www.jsonline.com/news/opinion/a-better-check-on-county-finances-132831478.html>

 **Click to Print**

SAVE THIS | EMAIL THIS | Close



Check the box to include the list of links referenced in the article.

Gary George's Plot to Kill the Comptroller

State budget deliberations are a time for mischief making, and state Sen. **Gary George** (D-Milwaukee) has always had a reputation for quietly slipping pet proposals into this biennial document. But even by George's standards, he has produced a bumper crop of stealth legislation.

"This is one of the dumbest things I've heard of in a long time," says Ald. Tom Nardelli.

George has thrown in proposals to fund a new research park in Milwaukee, to replace the Bradley Center and Wisconsin Center District with one merged entity, and to elect Milwaukee Circuit Court judges by neighborhood districts rather than county-wide. But the corker is his proposal to make the Milwaukee comptroller an appointed rather than elected position.

This is no small change. The comptroller has been an elected officer in Milwaukee since 1853, and provides "independent advice to the common council," Comptroller **Wally Morics** notes. If the position was appointed by the mayor, as George proposes, "The comptroller would have to say what the mayor wants, or he'd be fired and the next one would," Morics says.

In short, the chief beneficiary of any plan to kill an elected comptroller would be Mayor **John Norquist**. But Norquist's office has released a memo opposing the measure and promised "efforts to do everything we can to ensure it is defeated."

As for common council members, Ald. **Michael Murphy** says he has yet to talk to any alderman who supports the idea. As Ald. **Jeff Pawlinski** notes, "You need an independent voice in that office. You don't want someone beholden to the mayor."

So where did George get the idea to kill the comptroller? "This was promoted by [Ald. **Marvin**] **Pratt** and [Ald. **Fred**] **Gordon**," says one city insider. "The idea is that if Pratt were elected mayor [in 2004], he would appoint Gordon comptroller."

"For those who encouraged George and for George to do it, I think this is one of the dumbest things I've heard of in a long time," says Ald. **Tom Nardelli**. "It's a stupid idea coming from a guy who wants to be governor of the state and should know better."

Pratt and Gordon did not answer my calls for comments. So I asked George's aide **Dave Begel** whether the two aldermen asked George for the legislation. "I know nothing about it," Begel says. "I tend to stay out of city politics."

Begel says he sees nothing wrong with how the comptroller has operated to date. So if there's no problem, why does it need fixing? "It's strictly a structural thing and it wouldn't affect this comptroller anyway," Begel says. "It doesn't go into effect until the next election."

Comptroller Wally Morics calls it "stealth legislation...stuck into the budget at the 11th hour."

But wouldn't that mean Morics couldn't run for office in 2004? "It would affect anyone who wanted to run for the position," Begel says.

George says his proposal is simply intended as a good government measure. "This position is better appointed than elected. I sponsored the mayor's original plan [in 1988] to create a cabinet form of government."

But in this case, the mayor opposes the plan. Morics is one of many who find the whole thing suspicious: "It seems to be stealth legislation. Why is one city office a matter of state concern that gets stuck into the budget at the 11th hour? Maybe

this is something that is best left to the city government to decide. What does this have to do with the state budget?"

James McCann, who preceded Morics in the office and served for more than a decade, decries any attempt to make the position appointed. "The comptroller has a unique function, including estimating revenues for the city budget," he says. Without that independent voice, he says, it's tempting for a mayor to fudge the numbers and overestimate revenues in order to avoid a tax increase. "That's what gets local governments without an independent financial officer into trouble."

Morics said he could think of no reason why Pratt and Gordon would want to replace him as comptroller. "If they had any issues with me, I'd be very surprised. My relations with them are downright cordial and friendly."

All of George's proposals have been added to the Senate Democrats' budget document, which will eventually be negotiated with Assembly Republicans, who are likely to stick closer to the original budget prepared by the Joint Finance Committee. George's proposal to elect judges by neighborhood is doubtless intended to increase the number of minority judges in Milwaukee. His plan for a research park has gotten support from the Milwaukee business community, notably the Metropolitan Milwaukee Association of Commerce. George says the Greater Milwaukee Committee also favors the idea.

Both organizations also back a plan to combine the Wisconsin Center District with the Bradley Center, so that the Wisconsin Center's tax revenue can be used to subsidize improvements at the Bradley Center. This renovation, in turn, is intended to generate more revenue for the Milwaukee Bucks. Begel says George worked closely with the GMC and MMAC on both plans.

Suspicious minds might wonder if George agreed to sponsor the Bradley Center plan in exchange for support of his research park. But your correspondent only reports the facts as he knows them. Begel says the GMC and MMAC were among a range of groups who supported the merger plan. "They asked for this and we are working with them on this," he says.

Added note: Ninety minutes after this article was posted, Common Council President Marvin Pratt called to say that he expected the council to pass a resolution opposing the proposal to make the comptroller a mayoral appointment. Pratt predicted the resolution would pass unanimously.

Final postscript: Ald. Gordon called and confirmed that he had recommended the proposal for an appointed comptroller to state Sen. George, and that George had talked to Pratt as well about the idea. "I was thinking of a scenario where Pratt would be mayor," Gordon says, adding that he wouldn't want to give Norquist that appointment power. Gordon also says he is not interested in being appointed comptroller. Gordon predicts a majority of council members will vote against his idea.

All content copyright (C)2001 Milwaukeeworld.com, and cannot be reproduced without the express permission of Milwaukeeworld.com



OFFICE OF THE COUNTY EXECUTIVE

Milwaukee County

CHRIS ABELE • COUNTY EXECUTIVE

October 26, 2011

The Senate Committee on Transportation and Elections
Attention: Committee Chairperson Senator Lazich
Room 109 South
State Capitol
P.O. Box 7882
Madison, WI 53707

Dear Senator Lazich:

I am writing to call for the passage of SB259, which would create an elected Comptroller in Milwaukee County. As you and your fellow Judiciary, Utilities, Commerce and Government Operations Committee members discuss this bill, I ask that you please consider the needs of Milwaukee County that would be met by passing this legislation. Namely, *the bill would provide the fiscal accountability that has been missing from Milwaukee County, yet is critical to its future.*

It is of the utmost importance that the Comptroller be a wholly independent position. The best way to accomplish this is through an election. This will provide a much-needed impartial and unbiased 'watchdog' that doesn't report to me and doesn't report to the County Board. We need an elected Comptroller that reports directly to Milwaukee County taxpayers and the constituents that put him or her in office.

In particular I'd like to highlight the importance of having the County's audit function operate within the Comptroller's office. This would ensure objective analysis, advice and counsel for both the County Board and County Executive, each of whom may request such information at any time. As modeled after the City of Milwaukee (and many other public entities of similar size and nature), proper internal controls will be in place to ensure appropriate segregation of duties so that no one person is responsible for all phases of the accounting process. Furthermore, the County would retain its external audit, which will also be responsible for reviewing the internal controls.

I can tell you first hand that in Milwaukee County, too much of the budget debate is centered around disagreements about the numbers. With an elected comptroller, we can agree on the numbers and focus on policy – which is ultimately what we have been elected to do. Currently, much of the budget goes to paying the County's debt service. We have to look to our future. We need an elected Comptroller to manage the debt and certify that moving forward we have revenues in place before we take on any new expenditures.

ROOM 306, COURTHOUSE • 901 NORTH 9TH STREET • MILWAUKEE, WISCONSIN 53233

PHONE: 414-278-4346 • FAX: 414-223-1375

This is not partisan legislation. The fact that I am supporting it should make that clear. It is not about the party affiliation of the sponsors or supporters. When good, levelheaded, common-sense legislation is on the table, it is our job as elected officials to recognize it and support it, for the betterment of the communities we serve.

I ask that you and your colleagues pass this legislation and join me in supporting this much needed common-sense solution for Milwaukee County and its taxpayers.

Sincerely,



Chris Abele
Milwaukee County Executive

CC: Senator Leibham
Senator Lasce
Senator Coggs
Senator Erpenbach
Senator Larson
Senator Darling
Representative Kooyenga



Office of the Comptroller

October 27, 2011

W. Martin Morics, C.P.A.
Comptroller

Michael J. Daun
Deputy Comptroller

John M. Egan, C.P.A.
Special Deputy Comptroller

Craig D. Kammholz
Special Deputy Comptroller

Committee on Transportation and Elections
Attention: Committee Chairperson Senator Mary Lazich
Room 8 South
State Capitol
P.O. Box 7882
Madison, WI 53707

Dear Senator Lazich:

I am encouraged by the initiative to create an independent elected Comptroller's Office for Milwaukee County. While not a legislative policy making position, such an office would provide critical value added to the County through ongoing independent review and analysis of major fiscal issues which the County faces. Independent of the Executive and Legislative functions, the Office would provide a source of objective financial advice and counsel. The analysis and disclosure functions are key responsibilities. It is a model which has served the City well, attested to in part, by the City's strong credit ratings, sound financial reserves, and well-funded pension plan. I feel that the creation of a similar position at the County merits support.

I am pleased to provide you with some reactions I have to certain issues raised surrounding the subject of internal controls, auditing and the proposal to create a County Comptroller position.

Proper internal controls are achieved through the appropriate segregation of duties so that no one person is responsible for all phases of a financial accounting process. An easy example would be that if one party is authorized to print checks to vendors, then only a different party is allowed to add or delete names from the vendor files. In organizations the size of the City or County, these systems are long established, and reviewed periodically by internal audit staff (in the City's case), and reviewed annually by the external auditor, in both cases. It must be remembered that the external auditors are required to review the internal controls, and evaluate them to form a basis for subsequent audit testing, and report any material or significant weaknesses to management. In short, major control systems are thoroughly reviewed annually by the independent external auditors.

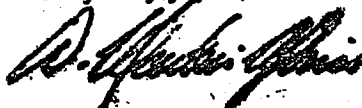
Respecting the investment function, you should be aware that Mayor Barrett's 2012 budget recommends transferring that function to the City Comptroller's office. Organizationally, I do not have an issue with this transfer, assuming that adequate resources are provided. Likewise, I do not foresee problems with this in the County model.

If the entire treasury function is subsumed into the County Comptroller's Office, I presume it will be a separate division of the office, just as the audit function will be. Nothing precludes the Comptroller from having the internal audit function review and test critical or key internal control systems. In fact this should be done. My internal audit staff regularly reviews certain systems which are under my auspices. Written reports are prepared. And as noted before, these systems are also reviewed annually by the external auditors.

The issue of the investment or cashiering function reporting to the same individual as the audit function is therefore not necessarily flawed. In fact, in governmental units where the comptroller and treasurer positions are appointed, both they and the audit function report to the same individual, the chief executive. This business model is utilized by many governmental units, and does not seem to suffer from inherent control weaknesses.

In summary, I do not see any significant control issues in the County Comptroller position, as outlined, and feel that it represents a sound and viable business model. I am pleased to share these observations with you, and you may feel free to share my observations as you deem fit.

Very truly yours,



W. MARTIN MORICS
Comptroller

Cc: Senator Leibham
Senator Lasee
Senator Erpenbach
Senator Coggs
Senator Darling
Representative Kooyenga



STATE OF WISCONSIN

Legislative Audit Bureau

22 East Mifflin Street, Suite 500
Madison, Wisconsin 53703
(608) 266-2818
Fax (608) 267-0410

www.legis.wisconsin.gov/lab

Toll-free hotline: 1-877-FRAUD-17

Joe Chrisman
State Auditor

October 31, 2011

Senator Lena Taylor
19 South, State Capitol
Madison, Wisconsin 53702

Dear Senator Taylor:

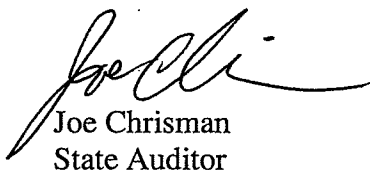
At your request, I write to describe the auditing standards followed by the Legislative Audit Bureau when conducting financial audits.

When performing financial audits in which an opinion is rendered on an audited entity's financial statements, the Bureau follows both generally accepted auditing standards, which are established by the American Institute of Certified Public Accountants, and auditing standards contained in *Government Auditing Standards*, which is issued by the Comptroller General of the United States and is known commonly as the "Yellow Book." When auditing compliance with federal grant requirements under the Single Audit Act of 1984, the Bureau also follows audit requirements enumerated in the Office of Management and Budget's Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

Collectively, this body of standards defines core principles for auditing, including professionalism, ethics, independence, quality control, fieldwork, and reporting. The financial audit opinions and internal control and compliance reports issued by the Bureau identify the specific auditing standards we followed in conducting the work.

I hope you find this information helpful. If you have any questions, or if I may be of further assistance, please contact me at 266-2818.

Sincerely,



Joe Chrisman
State Auditor

JC/BN/bm

Editorial

MORE INFO ALL DAY
milwaukee.bizjournals.com

PAGE A39
OCTOBER 28, 2011
THE BUSINESS JOURNAL

Milwaukee County needs comptroller

THE ISSUE: Proposed legislation that would create an independently elected comptroller's position for Milwaukee County

OUR STANCE: Given the county's well-documented financial problems, a comptroller would be an independent, professional financial voice the county needs.

Given Milwaukee County's well-documented financial problems in recent years, a legislative proposal to create an independently elected comptroller's position would be in the best interest of county taxpayers.

The proposal, introduced by state Rep. Dale Kooyenga (R-Brookfield) and state Sen. Alberta Darling (R-River Hills), would combine the county's treasurer position with auditing and other functions that are part of the county executive's administration. The comptroller would oversee county debt, prepare fiscal notes for proposed legislation, audit county government and issue regular reports on the county's financial condition.

The comptroller would be elected and be accountable to all Milwaukee County taxpayers.

'Creating the position would

IMPROVE
OVERSIGHT of
the county's
financial
operations.'

Creating the position would improve the oversight of the county's financial operations and also provide efficiency so desperately needed. The proposal is backed by County Executive Chris Abele and the Greater Milwaukee Committee as part of the push to overhaul county operations and improve Milwaukee County's financial structure.

Look to the city of Milwaukee for an example, where comptroller Wally Morics has, for decades, been an independent financial voice who has stood up against other elected officials when he believed projects or proposals did not make financial sense.

As expected, Milwaukee County Board chairman Lee Holloway and several other board members are opposed to the bill, claiming the position is not needed because of the cost of the new job and the fact that it would add bureaucracy to Milwaukee County.

The opposition is hypocritical given that Holloway and a majority of County Board members recently refused to reduce the number of board members, which would have produced much-needed savings and lessened the county board's micro-management process.

State legislators and Gov. Scott Walker should approve the bill.



Local trans
committee
right choic
they recom
County rec
in state gra
an ailing M
Departmen
should app
County Exe
routes. In t
service cuts



It is good to
motorcycle
Davidson Ir
around. Ha
a strong im
and dealer r
ic improvem
to the trans
Davidson's l
according to
will be occu
Falls and To



What starte
ness bill for s
nately being
led by Sen. T
Falls), have p
to the bill, re
credits availa
lion to \$3 m
its to small b
employees. V
425 employe
ees currently

Peterson, Eric

From: Peterson, Eric
Sent: Monday, October 31, 2011 10:12 AM
To: Mueller, Eric

"When applicable, the county shall take necessary steps to ensure the audit function of the comptroller conforms to the Government Auditing Standards issued by the Comptroller General of the United States and any other applicable audit standards."

Eric M. Peterson

Chief of Staff -- Senator Lena C. Taylor
Ranking Member, Joint Committee on Finance
608-266-5810 o, 608-267-2353 f



Home News Watchdog Opinion Sports Business Food Entertainment Lifestyle Photo/Video Moms

Classified Jobs Cars Homes Rentals MJs List

Main Page Editorials Local Perspectives Editorial Board Blog Crossroads Causey Nichols Letters National Columnists

Login Subscriber Services

Hot Topics: Rocketship Education | Harley-Davidson | SmartGrowth | Wind | NBA labor

Opinion

Home » News » Opinion

TEXT SIZE

County treasurer should be appointed, not elected

By Daniel J. Diliberti

Recommend

0

Share

print

e-mail

July 26, 2011 | (4) COMMENTS

Legislation has been introduced to abolish the elected office of the state treasurer, and the City of Milwaukee is considering consolidating the treasurer into the office of city comptroller. Given these developments, it is prime time to consider changes in the 130-year-old office of Milwaukee County treasurer.

The Milwaukee County treasurer has no voting, policy or budget-making authority. His/her duties are strictly administrative in nature as set forth in state statutes. With a \$1.3 billion budget and \$300 million in investments, administering the county's financial services requires proficiency in accounting and a working knowledge of banking services and investment practices.

So why elect the county treasurer? People hire their personal banker or retirement funds manager on the basis of their professional credentials and expertise; so should county government.

Milwaukee County deserves to be treated differently than counties elsewhere in the state. In the 1800s, the reason for making the treasurer's job an elective office was to separate financial operations from the County Board chairman's nearly unlimited political patronage powers.

However, 130 years later, circumstances have changed. In 1960, the office of county executive was created, and its semiautonomous office of controller oversees treasury operations. Established in 1970, the County Board's Audit Department also monitors treasury functions. These modern-day checks and balances on the treasurer's office didn't exist in the 1800s.

Milwaukee County, Wisconsin's only county of the first class, already is exempt from the state mandates for elections of its coroner and surveyor. The county treasurer should be added to that list.

This change is already happening in other states. While little research has been done on the county level, a University of California-Merced study found that cities with appointed treasurers had 13% to 23% lower borrowing costs than cities with elected treasurers. Governing Magazine pointed out a trend of California municipalities moving away from elected and toward appointed city treasurers.

Other reports refer to national studies that recommend combining county treasurer and controller functions and/or placing it under the county budget office in counties with a chief executive officer. Newer states such as Alaska and Hawaii have always had appointed county treasurers. In addition, since 2004, seven states changed their laws to remove the mandate for an elected county treasurer in a growing trend away from elected treasurers.

In some respects, the Milwaukee County treasurer already has become an appointed position. Current law provides for the appointment of a county treasurer in the event of a vacancy. Of the five previous treasurers, three were appointed to fill vacancies and the two that were elected left office before finishing their terms. Three out of the last five county treasurers (Thomas Meaux, Kevin O'Connor and I) have gone on record in support of making the office an appointed position.

The County Commission for the 21st Century, the Public Service Administration Study, the Management Letter by Arthur Anderson, a 1989 County Board Study and, more recently, the Public Policy Forum have created a chorus of calls for eliminating the elected office county treasurer and reconfiguring financial oversight in Milwaukee County government. That change is now overdue.

I support placing the treasurer under a combined controller/treasurer office with fiscal oversight powers. However, the first step in that direction is to abolish the state election mandate for the Milwaukee County treasurer. Once that is eliminated, local civic leaders and policy-makers can debate how to best structure the office to serve the county's financial management needs in the 21st century.

Daniel J. Diliberti is Milwaukee County treasurer.

Get ONYX Stock Now

ONYX Gets Approval For \$84 Million Solar Installation. Invest Today!
www.OnyxService.com

BREAKING: 55" LCD TVs for \$44.08

Today ONLY: Unique site sells 55" LCD TVs for up to 98% off retail price.
ModernStyleLiving.com

Buy a link here

ACROSS THE BOARD



The Journal Sentinel Editorial Board's blog on the day's happenings as they happen.

Quick Hit: The rules of the road (6)

Milwaukee aldermen should follow Barrett's suggestion (4)

Make sure it's safe

View All Blog Posts

advertisement

AdChoices

SAVE MORE than 22% with Milwaukee County Transit System PASSES & TICKETS.



TOP STORIES

advertisement
AdChoices

UW System faces deeper state funding cuts

New records show slower police response time in Milwaukee

MATC purchaser suspected of buying personal items

Senate OKs bill limiting voucher school expansion

Badger Guns to surrender license

MORE NEWS

New records show slower police response time in Milwaukee

Senate OKs bill limiting voucher school expansion

MATC purchaser suspected of buying personal items

Drought in South to send peanut prices soaring

Badger Guns to surrender license

Family sees the big picture: A home for mom's portrait

4

Comments »

Read and share your thoughts on this story.

Recommend

Be the first of your friends
to recommend this.**E-mail Newsletter**

The latest local news delivered to your inbox Monday-Friday during the 2 p.m. hour – or whenever there's big breaking news.

enter your e-mail address

[Sign Up Now!](#)

Enter your e-mail address above and click "Sign Up Now!" to begin receiving your e-mail newsletter

Login or Register to manage all your newsletter preferences.

Planners recommend
bus system get \$11.8
million in federal fundsDA: Evidence will
prove woman's killer
was hired

ABOUT THE EDITORIAL BOARD**Editorial Board:** Who we are and what we do**David D. Haynes:** Our job - Keep the marketplace of ideas stocked**DIAGRAMS**

Daily editorial page

Perspectives

Sunday editorial page

SUBMISSION GUIDELINES

Write a letter to the editor

Submit an opinion piece to Perspectives or Crossroads

Most Popular – News**most read commented e-mailed**

MATC purchaser suspected of buying personal items

Plan to renovate lakefront unveiled

Family sees the big picture: A home for mom's portrait

New records show slower police response time in Milwaukee

Attorney rips bill to limit fees on lawsuits

[more most popular content...](#)advertisement
AdChoices



PIPERLIME

CUSTOMER FAVES.






Melie Bianco
Madison Satchel
\$82.00
SHOP NOW

Sponsored Links

Get ONYX Stock Now
ONYX Gets Approval For \$84 Million Solar Installation.
Invest Today!
www.OnyxService.com

BREAKING: 55" LCD TVs for \$44.08
Today ONLY: Unique site sells 55" LCD TVs for up to 98% off retail price.
ModernStyleLiving.com

Tagg - The Pet Tracker™
Email, text, and GPS for your pet. Seriously!
www.Tagg.com

[Buy a link here](#)

Elsewhere on JSOnline

Empty Cradles



Taking on our infant mortality crisis

Cleopatra



Exhibit rules over Milwaukee Public Museum

1982 vs. 2011



Harvey's Wallbangers vs. Beast Mode

Top Workplaces



Help us pick the Top Workplaces in Southeast Wisconsin

Brewers Database



Search every Brewers home run in the Miller Park era.

Tap Snaps



Have you been tapped? Check the galleries to find out.



pottery barn kids



Ad Choices

Create the Perfect Bedroom

Put a fresh twist on kids' rooms with unique accessories, bedding and more.

Shop Now

JSOnline | MyCommunityNOW | Living Lake Country | MilwaukeeMoms | Today's TMJ4 | Newsradio 620 | 94.5 Lake FM

PRIVACY POLICY/YOUR CALIFORNIA PRIVACY RIGHTS

| Terms of Use | Contact Us | Journal Careers | Subscription Services | Place an Ad | About Our Ads | Advertise with Us | PR Hub

© 2011, Journal Sentinel Inc. All rights reserved.

Powered by Clickability.

Produced and Managed by Journal Interactive.



